

COUNCIL AGENDA: 11-20-07

ITEM: 2.23



Memorandum

**TO: HONORABLE MAYOR AND
CITY COUNCIL**

**FROM Councilmember Sam
Liccardo**

SUBJECT: REQUEST TO TRAVEL

DATE: November 13, 2007

Approved

Date

11/13/07

Authorization for: Councilmember Sam Liccardo

Location: Shanghai, China

Meeting Dates: December 2 - 9, 2007

Source of Funds: Office of Economic Development

Purpose: The Bay Area Economic Council is leading a delegation from the Bay Area to Shanghai, China for a weeklong series of meetings to establish specific collaborations in the areas of green technology, information technology, biotechnology, digital arts, urban development, and goods movement.

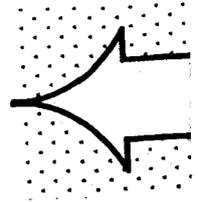
cc: Lee Price, City Clerk

Memorandum

TO: DEBRA FIGONE
FROM: Paul Krutko
SUBJECT: Shanghai Delegation
Participation Request
DATE: October 23, 2007

Approved

Date



The Bay Area Economic Council is the leading regional private economic development organization for the Bay Area. The BAEC recently signed a region-to-region economic development agreement with the Yangtze Council, representing Shanghai and other major cities in the larger Yangtze Delta region. A high-level delegation from the Bay Area will go to Shanghai for a weeklong series of meetings the first week of December to establish specific collaborations in the areas of green technology, information technology, biotechnology, digital arts, urban development, and goods movement. The host for the week is Vincent Lo, Chair of Shui On, and the Shanghai Municipal Government.

I am recommending that Assistant Director, Kim Walesh attend to staff the councilperson, provide substantive input to the agreement topics, and ensure continuity for the city beyond the elected official representative.

The BAEC has invited Mayor Reed to participate along with San Francisco Mayor Gavin Newsom, Oakland Mayor Ron Dellums, and U.S. House of Representatives Speaker Nancy Pelosi to join a group of Bay Area CEO's on this important trip. Mayor Reed is unable to attend; Vice Mayor Cortese is considering joining the delegation.

I believe that San Jose needs to have a presence on this delegation and in these conversations for the following reasons.

- As the largest city in the Bay Area, San Jose needs to participate in the Bay Area Economic Council and be present as a leading city. It is very important to BAEC that San Jose have a voice on this trip and in this agreement. If we do not contribute to the substance and understanding of this agreement, San Jose's interests will not be represented. It sends the wrong signal about our stature for a delegation representing the Bay Area not to have explicit representation from San Jose.
- Mayor Gavin Newsom is confirmed to participate in the delegation. While our Mayor has declined, the Mayor's Chief of Staff Pete Furman said that the Mayor is comfortable with OED inviting a Councilperson to be the City representative in the following order: Cortese, Pyle, and Liccardo.

Yangtze Council. Because both organizations are private-sector led, we avoid the challenges of interacting with a local Chinese government...and have a way of declining politely the many requests we get from other Chinese cities to partner with them.

- Vincent Lo was in San Jose for the City's "Global Leadership Forum on Economic and Cultural Development" (August 2006). He is impressed with our City, and understands that the tech center of the Bay Area is San Jose/Silicon Valley—not San Francisco. He has expressed personally to Paul, and through his Chief Architect David Nieh (former RDA Chief Architect), that he places a high priority on San Jose being involved with Shanghai/Yangtze and with Shui On. As a follow-up to the Global Leadership Forum, the City Public Art Program, the San Jose Museum of Art, and ZERO1 are already developing collaboration with Shui On in digital arts.
- The per-person cost to participate in the trip is higher than we would have anticipated: \$9,500 per person, which covers everything except airfare (anticipated to be \$1,500). OED anticipates in its non-personnel budget one international outbound trip each year. In addition to Kim, we would expect to cover the cost of the Councilperson (\$5,500 + airfare).



PAUL KRUTKO
Chief Development Officer



Northern California Center

November 1, 2007

Dear Sam Liccardo,

On behalf of the Bay Area Council and the Asia Society Northern California it is our great pleasure to invite you to help lead a Bay Area business trip to Shanghai, China from December 1-8, 2007 to open a new era of economic collaboration and help bind together the futures of our two regions.

This will be a singular moment in our two regions' histories. We will be meeting with Shanghai's top officials, including: Mayor Han Zheng; Shanghai Party Secretary Xi Jining; and our trip host, Mr. Vincent Lo, Chairman of Shui On Group. San Francisco Mayor Gavin Newsom will accompany us, and we are working with other important Bay Area officials to come as well. In addition, we understand Speaker Nancy Pelosi will be in Shanghai at the same time, and are working to coordinate our time with her.

The purpose of the trip is to begin enacting the world's first Region-to-Region economic development agreement, which the Bay Area Council and Yangtze Council – representing Shanghai and the Yangtze Delta and River region – signed in April of 2007 on behalf of our respective business communities. The agreement established economic collaboration among Bay Area and Yangtze region companies in several key areas including information technology, biotech, green technology, digital arts, urban development, goods movement and financial services. Asia Society, while not a signatory to the agreement, brings a wealth of experience in helping to define California and America's relationship to Asia.

We admit we have a dramatic view of this emerging relationship. We see it as the start of a new era, created by rapidly accelerating globalization. We believe that in the future the importance of trade and economic relationships between countries will be matched or surpassed by the relationships between economic mega-regions, like the Bay Area and Shanghai.

History validates the strength of our partnership, and now is the time to build a permanent bridge uniting our economies and shared future. The world has changed. It is witnessing both the rise of "the region" and the rise of China as economic powers. Many have said that this will be the Century of China. We hope this high-powered trip can lay a cornerstone to make it the Century of the Pacific.

Please see the attached registration information, including group air rates, a packaged rate of \$9,500 and a draft itinerary. Contact Wendy Soone-Broder at wendys@AsiaSoc.org or 415-421-8707 with questions and please be advised that this invitation is nontransferable.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "Jim Wunderman".

Jim Wunderman
President & CEO
Bay Area Council

A handwritten signature in black ink, appearing to read "N. Bruce Pickering".

N. Bruce Pickering
Executive Director
Asia Society Northern California



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Please confirm the details of your itinerary and enter the passenger information below. Click **Continue to purchase** to proceed.

Total price: USD 1,329.77

[View price breakdown](#)

[View fare rules](#)

Sat, Dec 01, 2007 - San Francisco, CA (SFO) to Shanghai, China (PVG)

United 0857	Depart: <u>SFO</u> 12:13 PM	Non-stop 13h 32m	Fare basis code: QLSPXCN	N/A
	Arrive: <u>PVG</u> 05:45 PM	<u>Boeing 747-400</u> 6,151 miles traveled	Booking class: Q Economy	Select seats
	Next day Dec 2		6,168 Award miles Lunch, Lunch	

Sun, Dec 09, 2007 - Shanghai, China (PVG) to San Francisco, CA (SFO)

United 0858	Depart: <u>PVG</u> 01:45 PM	Non-stop 10h 30m	Fare basis code: QLWPXCN	N/A
	Arrive: <u>SFO</u> 08:15 AM	<u>Boeing 747-400</u> 6,151 miles traveled	Booking class: Q Economy	Select seats
			6,168 Award miles Lunch, Breakfast	

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Passenger(s) information

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Adult1

*First name:

M.I.:

*Last name:



Asia Society

Asia Society Northern California
500 Washington St., Suite 350
San Francisco, CA 94111
415-421-8707

Invoice

DATE: 11/6/07

Sam Liccardo
City of San Jose

QUANTITY	DESCRIPTION	UNIT PRICE	OWED
1	Bay Area Council/Asia Society Northern California Shanghai Trip	\$5500.00	\$5500.00
Total Balance Due			\$5500.00

**Make all checks payable to: Bay Area Council
and mail to: Asia Society Northern California
500 Washington St., Suite 350, San Francisco, CA 94111**

HEADQUARTERS: 725 Park Avenue, New York, NY 10021 - 5088

Tel: 212.288-6400 Fax: 212.517-8315



Northern California Center

**Registration
For
Trip to Shanghai, China
December 1-8, 2007**

“Opening a New Economic Era of the Pacific”

On this historic, week-long trip, Bay Area business and political leaders will have multiple meetings and banquets with the top officials in Shanghai, including Mayor Han Zheng; Shanghai Party Secretary Xi Jining; and our trip host, Mr. Vincent Lo, Chairman of Shui On Group. We will visit the world-renowned new port of Shanghai, as well as the most important research facilities, universities and parks in Shanghai and the surrounding region. We will also discuss, negotiate and hopefully sign agreements on behalf of Bay Area and Yangtze region companies in several areas, possibly including information technology, biotech, green technology, digital arts, urban development, goods movement and financial services. Finally, we will work with our host, Mr. Lo, and the Shanghai Municipal Government on ways to help Bay Area companies better succeed in the Shanghai region.

Please fax your RSVP to 415-421-2465

Yes, I would like to attend.

No, I regret I cannot attend.

Name: _____

Title: _____

Company: _____

Phone: _____ Fax: _____ Email: _____

Assistant: _____ Assistant Phone: _____

Assistant e-mail: _____

Proposed Itinerary
For
Trip to Shanghai, China
December 1-8, 2007

“Opening a New Economic Era of the Pacific”

Synopsis:

On this historic, week-long trip, Bay Area business and political leaders will have multiple meetings and banquets with the top officials in the Shanghai-Yangtze region, including Mayor Han Zheng; Shanghai Party Secretary Xi Jinping; and our trip host, Mr. Vincent Lo, Chairman of Shui On Group. We will visit the most important research facilities, universities and business parks in Shanghai and the surrounding Yangtze region, as well as the world-renowned new port of Shanghai. We will also discuss, negotiate and hopefully sign agreements on behalf of Bay Area and Yangtze region companies and institutions in several areas, including green technology, information technology, biotech, digital arts, urban development and goods movement. Finally, we will work with our host, Mr. Lo, and the Shanghai Municipal Government on ways to help Bay Area companies better succeed in the Yangtze region.

We have proposed the following itinerary to our hosts the Shui On Group and the Shanghai Municipal Government. While we can promise to fulfill the goals laid out in the above Synopsis, and much of the itinerary is indeed confirmed, please note that the final itinerary is subject to change upon final approval of the Chinese government.

December 1-2 (Saturday & Sunday)

- Bay Area delegation arrives in Shanghai.

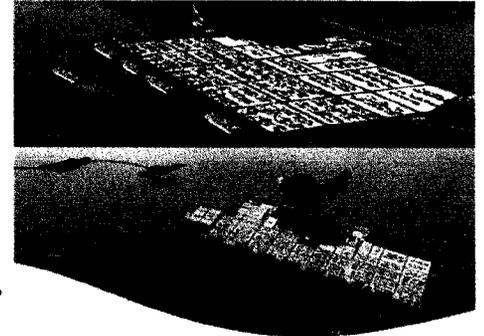


Shanghai's new maglev from the airport, the world's fastest train.

December 3 (Monday)

- Visit Yangshan Port and Lingang Xincheng (a new city at the port).

We will discuss plans for the world's largest port, its capacity and how it will link up to other parts of the world, including our Bay Area ports. The project includes a 52 berth container terminal, located on a cluster of partially inhabited islands in Hangzhou Bay, south of Shanghai. In addition, the project includes a 32 km bridge to connect the islands to the closest on-shore point. On completion, the port will be capable of handling 20 million TEUs of throughput (Oakland currently handles 2.4 million TEUs). Yangshan will play an important role as an international transfer hub and help Shanghai secure its position as an international shipping center.

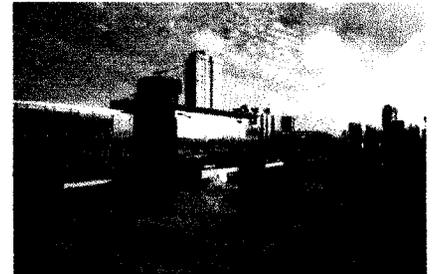


- Bay Area-Yangtze Summit on Goods Movement and Logistics (*tentative*)

Participants will discuss areas of common interest and stronger economic collaboration between our two regions on goods movement and logistics. We will also seek and negotiate specific deals between Bay Area and Yangtze region companies and institutions. We will discuss any challenges Bay Area companies or institutions face in the region, and how to improve Bay Area ports to better engage the Yangshan Port and its shipping lines.

- Visit the Knowledge and Innovation Community (KIC).

Business leaders will get a better understanding of innovation and entrepreneurship in China—how real estate and innovation can be showcased together in this 10 million square foot project, how these digital communities partner in other communities around the world and how they can be explored.



- Bay Area-Yangtze Summit on Green Technology and the Environment (*tentative*)

Participants will review environmental policy and the growing role of green technology in our two regions. We also intend to discuss a region-to-region agreement on greenhouse gas reduction, as well as negotiate specific deals between Bay Area and Yangtze region companies and institutions.

- Visit Chinese Research Universities

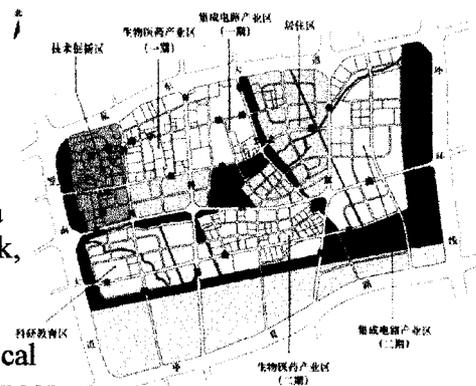
Bay Area public leaders, including the Mayor of San Francisco, and business leaders will visit Fudan University, Tongji University, and East China Normal University to explore regional connections with university administrators, professors and students.



December 4 (Tuesday)

- Visit Shanghai Zhang Jiang Hi-Tech Park

Founded in July 1992, Shanghai Zhang Jiang Hi-Tech Park is located in the middle part of Pudong New Area Shanghai. With a planned size of 25sq kilometers, it has a technical innovation park, high-tech industrial park, education and research center and residential area. By the end of 2005, the Park had introduced 4,297 new enterprises – including more than 130 biopharmaceutical companies including multinationals such as Roche, GSK, Boehringer Ingelheim, Sankyo, Lilly, Tsumura, SK – attracted \$13.748 billion in foreign investment, and its enterprises had applied for 4,032 patents.



- Bay Area-Yangtze Summit on Knowledge-Based Communities and Urban Development (tentative)

We will explore the role of Bay Area universities and research institutions in the Yangtze region, plus review cutting-edge urban design in China, how Bay Area companies are participating in modern urban development and how we can expand that role. We will seek specific deals between Bay Area and Yangtze region institutions to cooperate on research.

- Meeting with Xi Jinping, the Shanghai Party Secretary

Xi, 53, is a member of the Central Committee, the party's ruling inner circle, and is regarded as a leading economic reformer. He served mostly in Fujian province earlier in his career, then moved onto Zhejiang as the provincial party chief from 2002-2007, and is currently Secretary of the CPC Shanghai Municipal Committee, therefore the number-one figure in Shanghai. Known for his liberal policies, tough stance on corruption, and a frank openness about political and market economy reforms, Xi is considered an emerging member of China's fifth generation of leadership.



Xi Jinping meeting with U.S. Treasury Secretary Paulson

- Cooperation Between the Bay Area and the Yangtze River Delta Region International Seminar, Signing Ceremony for the Silicon Valley Bank and Bay Area Council-Managed Venture Capital Fund

This half-day conference will be an opportunity to learn about the current policies on high-technology, the environment, and intellectual property and law. As with other summits, we will seek help on these issues, share challenges and pursue specific deals. Finally, we will hold a signing ceremony on the new Bay Area Council/Yangtze Council-sponsored venture capital fund.

- Dinner hosted by the Shanghai Municipal Government.

Shanghai Mayor
Han Zheng



December 5 (Wednesday)

(To Suzhou – about 1.5 hours of travel)

- Visit Suzhou Industrial Park, Companies and Business Leaders.

Sitting beside gorgeous Lake Jinji in the eastern suburb of the Suzhou city, and eighty kilometers away from Shanghai, the Suzhou Industrial Park lies in the center of the Yangtze River Delta and the junction of China's coastal economic open areas and the Yangtze River economic development belt. The Suzhou Industrial Park is a cooperative project between China and Singapore. The Park is one of the largest in China and contains an IT park, an international technology park, a life science park, a national software park and a SME park. Electronics, biopharmaceuticals and new materials industries, account for 75% of the gross industrial output of the Park.



- Bay Area-Yangtze Summit on Biotechnology (*tentative*)

Participants will discuss the growth of the biotechnology industry in our two regions. We will seek specific biotechnology and research deals between Bay Area and Yangtze region companies and institutions.

- Visit the world cultural heritage sight: the Suzhou “Humble Administrator's Garden”.

The beautiful waterside City of Suzhou in Jiangsu Province in South China is most famous for its elegant classic gardens. Among these, the Humble Administrator's Garden, covering about 13 acres, is the largest and most renowned. Due to its unique designs and ethereal beauty, the garden has garnered many special honors. It is listed as a *World Cultural Heritage* site and has also been designated as one of the *Cultural Relics of National Importance under the Protection of the State* as well as a *Special Tourist Attraction of China*.

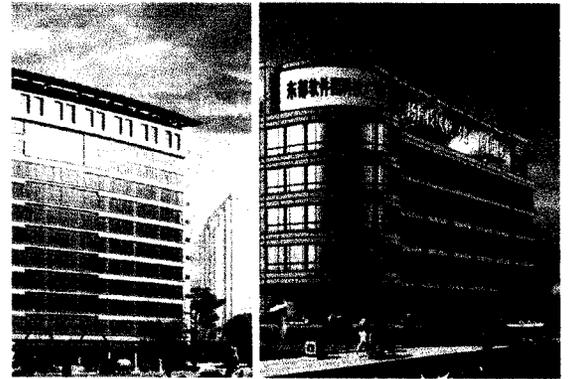


- Dinner hosted by Suzhou municipal government leaders.

December 6 (Thursday)

- Visit Hangzhou High-Tech Park, Companies and Business leaders.

Lying in a state high-tech development zone, Hangzhou East Software Park is an important part of the “Paradise Silicon Valley” development as well as the showcase of Hangzhou Information Port. Relying on the powerful support from the government, East Software Park has a strong environment of technical innovation as well as world-class broadband multi-media information network in the park. More than 130 high-tech enterprises and service agencies, such as Alibaba, has settled in East Software Park.

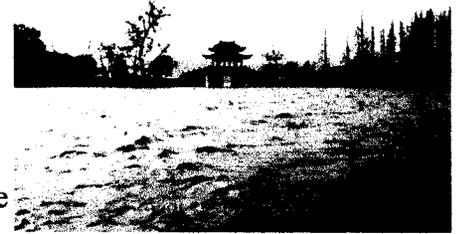


- Dinner hosted by Hangzhou municipal government leaders.

December 7 (Friday)

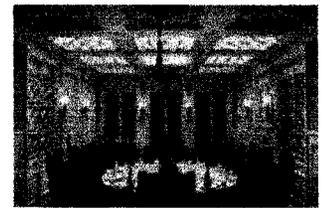
- Explore the West Lake in Hangzhou, Return to Shanghai after lunch.

Marco Polo called Hangzhou the most enchanting city in all the world. This is most evident in the West Lake area--the effective, if not geographic, center of Hangzhou. Hills embrace the lake on three sides; the city proper lies to the east. Ancient Chinese people praised the West Lake area as a land of intoxicating beauty. Su Shi, a poet from the Song Dynasty, likened the lake to Xizi, a Chinese Cleopatra, for its allure.



- Free leisure time to explore Shanghai on your own.
- Dinner hosted by Mr. Vincent Lo at Villa Du Lac, Xintiandi.

Xintiandi, developed by the Shui On Group, is an urban neighborhood imbued with the city’s historical and cultural legacies. It is located at the City Centre of Shanghai, and only one block south of the prestigious Huai Hai Zhong Road. Xintiandi features a multitude of specialist retail, entertainment, cultural, recreational, commercial and residential facilities in restored “Shikumen” houses – a special old form of building architecture only found in Shanghai – as well as state-of-the-art new buildings, catering to both residents and visitors. With its unique design, Xintiandi has won the national “Innovation China 2001 – Architecture Award,” “AIA Hong Kong Citation 2002,” and 2003 “Award for Excellence” from the Urban Land Institute.



December 8 (Saturday)

- Delegation returns to the U.S.

